GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3234
ANSWERED ON:08.12.2000
MONOPOLISATION BY BIG COMPANIES
DILIP KUMAR MANSUKHLAL GANDHI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have been apprised that influence of monopoly capital is increasing all over the world after existence of W.T.O;

(b) whether the Government are aware that market of the whole world is under control of some companies of the world; and;

(c) if so, the steps taken by the Government to save small companies of the country from such situation?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) & (b) With increasing globalisation, the role of MNCs has increased considerably and a large number of developing countries have made conscious efforts to increase inflow of Foreign Direct Investment (FDI) to supplement their domestic investible resources. W.T.O deals only with multilateral trade.

(c) The small companies generally act as ancillaries to the large companies or cater to a niche market and MNCs generally do not enter into the labour intensive activities of small companies. In India, various financial benefits such as excise duty waiver/concessions and priority in bank lending are also made available to small companies to promote their growth and a special package of benefits is also being designed for the SSI sector.